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# Northern Grampians Shire Council

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27 May 2003

The Secretary  
Review of TCF Assistance  
Productivity Commission  
PO Box 80  
BELCONNEN ACT 2616

Dear Sir/Madam

## **Review of TCF Assistance**

The Northern Grampians Shire Council wishes to bring to the notice of the Commission certain facts pertaining to the impact of tariff reductions on the Shire's TCF industry.

The Council have been working for several years with our main TCF employer AUNDE Australia P/L to secure a cut and sew facility for the City of Stawell. This project was successful and came to fruition early this year with employment of an additional 130 people at the AUNDE site bringing total employment to approximately 240 TCF workers.

The cut and sew project progressed on the basis that tariff protection enabled the facility to be competitive against the existing supplier in Thailand. Benefits apart from direct employment have flowed to the Australian and our regional economy. Areas such as transport, machinery purchases and servicing, seating components, specialist design and computing skills along with the added spinoff of new wages income in excess of \$50,000 per week into the local and regional economy have made this a huge win for the company and Northern Grampians Shire.

Should this industry be forced to close or return offshore to Thailand due to tariff reductions, our local government area will see job losses in excess of 150 workers. These workers are in the majority women with a strong representation of first time full employment categories. This workforce has reduced Stawell's unemployment rate to one of the lowest in the region and in doing so removing a huge welfare obligation from the Federal Government.

The Northern Grampians Shire Council strongly suggests the Federal Government reconsider its proposed tariff cuts to the TCF industries. Council does not want to see Stawell's TCF industry powerbase be decimated with those TCF employees returning to the welfare area with closure of the TCF industries under reduced or no tariff protection.

Yours faithfully

Peter Brooks  
Chief Executive Officer